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DE RUEHJA #0396 0590443
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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC 8120
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUCNWT0/WORLD TRADE ORGANIZATION COLLECTIVE
RUCPDO/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUEHKL/AMEMBASSY KUALA LUMPUR 2458
RUEHBK/AMEMBASSY BANGKOK 8346
RUEHGP/AMEMBASSY SINGAPORE 6275
RUEHBS/USEU BRUSSELS
RUEHGV/USMISSION GENEVA 7735

UNCLAS JAKARTA 000396

SIPDIS

SINGAPORE FOR SUSAN BAKER

SIPDIS
SENSITIVE

DEPT PASS TO USTR SCHWAB
DEPT FOR EAP/MTS, EAP/IPE, EB/TPP, EB/TPP/BTA
COMMERCE FOR JKELLY AND EBRZYTWA
GENEVA PASS TO USTR
USTR FOR BNORTON AND JWEISS
USTR FOR BWEISEL AND KELHERS
TREASURY FOR IA-BAUKOL
EEB FOR ASCHEIBE

E.O. 12598: N/A
TAGS: [ECON](#) [ETRD](#) [WTO](#) [ID](#)
SUBJECT: DEMARCHE DELIVERED: INDONESIA CONSIDERS U.S.-EC TAFT GOODS
PROPOSAL

REF: STATE 12905

¶1. (SBU) SUMMARY: Embassy Jakarta and the European Commission (EC) jointly delivered reftel demarche to Mr. Ansari Bukhari, Director General of Textiles, Metal and Multifarious Industries, Ministry of Industry. He had not seen the joint proposal yet, so we gave him a copy and reviewed the main points. Bukhari said that the Government of Indonesia (GOI) agreed "in principle" to streamlining and standardizing labeling but would need to study the proposal more closely before committing to publicly co-sponsor or support it. End Summary.

¶2. (SBU) Bukhari explained that the GOI was in process of preparing new legislation on labeling requirements driven by concerns over consumer protection and controlling illegal transshipments. He said that if the Taft Goods proposal simplifies labeling, Indonesia would consider supporting it. Bukhari expressed reservations though on supporting any measure that while ostensible streamlining requirements would actually complicate them. He added "Indonesia has had bad experiences" with regulations that in effect become new technical barriers to trade, especially for small businesses. He mentioned specific concerns on requirements relating to textile content (which could become an issue as the proposal allows for fiber content.)

¶3. (SBU) Bukhari explained that that Indonesian industry have so far not complained over labeling requirements on their exports, but saw the advantage of reduced cost through harmonized labeling requirements. He promised to study the proposal and share it with his intra-ministerial colleagues and advise us if the GOI has any specific objections.

HUME